

## Press Release

Singla Industries

August 16, 2021

### Rating Update



|                                    |                                       |
|------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated</b> | Rs. 13.00 crore #                     |
| <b>Long Term Rating</b>            | ACUITE B+<br>Issuer not co-operating* |

# Refer Annexure for details

\* The issuer did not co-operate; Based on best available information.

### Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B+ (read as ACUITE B plus)**' on the Rs.13.00 crore bank facilities of Singla Industries. This rating is now an indicative rating and is based on the best available information.

Haryana-based Singla industries (SI) was established in April, 2016 by the Singla family viz. Vipin Singla, Maju Singla and Anu Singla, and the firm is engaged in the processing of basmati rice from paddy. The processing facilities of the firm is located in Sikanderpur, with an installed capacity of 250 Tons/day. Around 70 percent of the processed rice is sold to under its own brand names which are Khayali pulao, Silver shine, Riwayat, UGS, Factory to you. Other 30 percent of the products are sold to companies like L.T. Foods and I.T.C who sell it under their own brand name.

#### Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

#### Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### Liquidity Position

No information provided by the issuer/ available for Acuité to comment upon.

#### Rating Sensitivities

No information provided by the issuer/ available for Acuité to comment upon.

#### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

#### Status of non-cooperation with previous CRA (if applicable)

None

#### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated

requests and follow-ups.

#### Rating History (Upto last three years)

| Date         | Name of Instrument / Facilities | Term      | Amount (Rs. Cr) | Ratings/Outlook              |
|--------------|---------------------------------|-----------|-----------------|------------------------------|
| 02-July-2020 | Cash Credit                     | Long Term | 10.00           | ACUITE B+/ Stable (Assigned) |
|              | Term Loan                       | Long Term | 2.26            | ACUITE B+/ Stable (Assigned) |
|              | Proposed Bank facility          | Long Term | 0.74            | ACUITE B+/ Stable (Assigned) |

#### #Annexure – Details of instruments rated

| Lenders Name | Name of the Facilities | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings/Outlook                   |
|--------------|------------------------|------------------|----------------|----------------|-----------------------------|-----------------------------------|
| Indian Bank  | Cash Credit            | Not Applicable   | Not Applicable | Not Applicable | 10.00                       | ACUITE B+ Issuer not cooperating* |
| Indian Bank  | Term Loan              | Not Available    | Not Available  | Not Available  | 2.26                        | ACUITE B+ Issuer not cooperating* |
| Proposed     | Proposed Bank facility | Not Applicable   | Not Applicable | Not Applicable | 0.74                        | ACUITE B+ Issuer not cooperating* |

\*The issuer did not co-operate; based on best available information.

#### Contacts

| Analytical   | Rating Desk  |
|--|--|
| Aditya Gupta<br>Vice President- Corporate and Infrastructure Sector<br>Tel:022-49294041<br><a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a><br><br>Harjas Kaur Manny<br>Analyst - Rating Operations<br>Tel: 022-49294055<br><a href="mailto:harjaskaur.manny@acuite.in">harjaskaur.manny@acuite.in</a> | Varsha Bist<br>Senior Manager - Rating Desk<br>Tel: 022-49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |

#### About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.